

Perfins on New York stock transfer tax stamps

Kenneth Pruett (#3548)

The New York stock transfer tax began June 2, 1905. Stamps still remain a valid, but little-used, method of paying the tax. One feature of the original law, relating to cancellation of stamps, remains in effect: stamps were to be canceled with the firm name or initials, the date, and be cut or punched in some manner to prevent their reuse.

The tax rate from 1905 to 1932 was 2¢ per share, and resulted in a \$2 stamp being one of the most used denominations. Compared to the common use of postage stamps, this represented a high investment, and it is not surprising that security methods would be employed. A change in the tax rate began March 1, 1932, when the tax was increased to 3¢ per share on stocks selling under \$20 per share and 4¢ at \$20 or more. Thus \$3 and \$4 stamps came into wide use during the depression.

Although this article deals strictly with the New York stamps, much will apply to perfins on revenue stamps in general. Perfins on these stamps are abundant. The problem lies in determining what is, or is not, a perf. Here I use the term *perfin* in its strictest sense as a security punch. There were no restrictions on the size of holes or area occupied on these stamps. I will attempt to provide guidelines for distinguishing what I consider true perfins (security) versus punches which served strictly as cancellations.

Perfins on revenue stamps came into use in the U.S. before their use was permitted on postage stamps. The earliest use on New York stamps in my collection is June 28, 1905, by DeCoppet & Doremus, a variety unlisted in the catalog but rather common (Figure 1). A stamp with a perf-

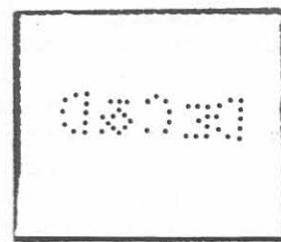


Figure 1
fulfilled
the re-
quirement
that each
stamp be
cut or
punched,
but lack-
ing one of
the other

requirements, would not yet have been cancelled and thus remained valid for use.

DeCoppet & Doremus used a variety of perfins. An example

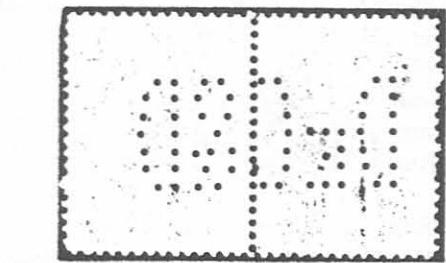


Figure 2
with large holes and requiring a pair of stamps to show the complete design is shown in Fig. 2.

Dated perforated initials also came into use at an early date. Most of these were punched after affixing to the document and cut both the stamp and the document. They provided no security prior to use and thus would not be perfins by a strict definition. Some firms cancelled the stamps before affixing them to the document. Thus even if only the stamp is punched, this does not make it a true security perf. Any stamp with both firm initials and date completed all cancellation requirements, rendering the stamp invalid for later use, and providing no security.

However, some of these dated cancels were used as true perfins simply by entering the date as 0-00-00. An example is shown in Figure 3. Others also exist. Use on document, show-

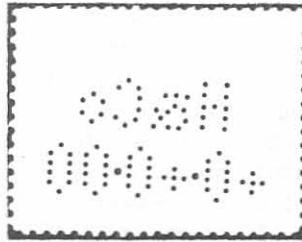


Figure 3
ing that
only the
stamp is
punched,
is re-
quired for
confirma-
tion of
perfins
use.

Dated perfins can create a problem in attempting to catalog perfins on revenue stamps since, if the date line does not appear on the stamp, some could readily pass for perfins. Use on document is again essential unless one has multiple copies or the stamp is punched such that it is clear that a second date line could not have been included. I have no objection to collecting these (I do so myself), but do think they should be recognized for their true use. Because of the size, it is a challenge to get these complete on a single stamp and I admit to tossing many of potential value if they are to be listed in a future catalog.

There are other stamps which look like true perfins but are really cancels. Some firms included only the initials in the cancel. These would not qualify as perfins by my definition. An example is that of Henry Zuckerman & Co. (Figure 4).

I have this on document with the initials also punching the document. This does not mean that it was never used as a security perf, but I would want to see such a use on document.

Finally, there are many punches, consisting of firm ini-

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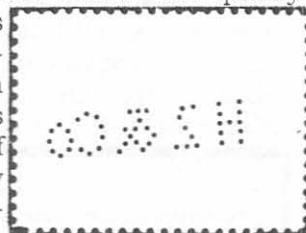


Figure 4

New York stock transfer tax stamps

(Continued from page 121)

tials or designs. Some of these are true perfins and I illustrate one of the more convincing (Figure 5). Used by Vernon C. Brown, the firm initials do not cut the docu-

ment. But to complete the cancellation process, what appears much more like a perfins but consisting only of punched date, cuts both the stamp and document. Thus it is the punch that is the

consider true perfins. I recommend, until use has been confirmed, that any stamps with punches be left on paper.

I would like to correspond with anyone who has New York stock transfer stamps. I can provide a lengthy list of those in my collection, including the dated perfins and punches, as well as those users whom I have confirmed by use on document.



Figure 5

perfin, the perfins-like holes being a cancel! I have confirmed several others which I

Note: The author collects all aspects of New York stock transfer stamps and won a Vermeil at Pacific '97 for his exhibit.